

extension of SECI membership to Serbia-Montenegro.

(c) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) the representatives of the successor states to the Socialist Federal Republic of Yugoslavia have successfully negotiated the division of assets and liabilities and all other succession issues following the dissolution of the Socialist Federal Republic of Yugoslavia;

(2) the government of Serbia-Montenegro is fully complying with its obligations as a signatory to the General Framework Agreement for Peace in Bosnia and Herzegovina;

(3) the government of Serbia-Montenegro is fully cooperating with and providing unrestricted access to the International Criminal Tribunal for the Former Yugoslavia, including surrendering persons indicted for war crimes who are within the jurisdiction of the territory of Serbia-Montenegro, and with the investigations concerning the commission of war crimes and crimes against humanity in Kosovo;

(4) the government of Serbia-Montenegro is implementing internal democratic reforms; and

(5) Serbian, Serbian-Montenegrin federal governmental officials, and representatives of the ethnic Albanian community in Kosovo have agreed on, signed, and begun implementation of a negotiated settlement on the future status of Kosovo.

(d) STATEMENT OF POLICY.—It is the sense of the Congress that the United States should not restore full diplomatic relations with Serbia-Montenegro until the President submits to the Committees on Appropriations and Foreign Relations in the Senate and the Committees on Appropriations and International Relations in the House of Representatives the certification described in subsection (c).

(e) EXEMPTION OF MONTENEGRO.—The sanctions described in subsection (b)(1) should not apply to the government of Montenegro.

(f) DEFINITION.—The term "international financial institution" includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(g) WAIVER AUTHORITY.—

(1) The President may waive the application in whole or in part, of any sanction described in subsection (b) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Kosovo that is acceptable to the parties.

(2) Such a waiver may only be effective upon certification by the President to Congress that the United States has transferred and will continue to transfer (subject to adequate protection of intelligence sources and methods) to the International Criminal Tribunal for the former Yugoslavia all information it has collected in support of an indictment and trial of President Slobodan Milosevic for war crimes, crimes against humanity, or genocide.

(3) In the event of a waiver, within seven days the President must report the basis upon which the waiver was made to the Select Committee on Intelligence and the Committee on Foreign Relations in the Senate, and the Permanent Select Committee on Intelligence and the Committee on International Relations in the House of Representatives.

KYL AMENDMENT NO. 3522

Mr. KYL proposed an amendment to the bill, S. 2334, *supra*; as follows:

Beginning on page 119, line 1 of the bill, strike all through page 120, line 13, and insert the following:

SECTION 601. CONDITIONS FOR THE USE OF QUOTA RESOURCES.—(a) None of the funds appropriated in this Act under the heading "United States Quota, International Monetary Fund" may be obligated, transferred or made available to the International Monetary Fund until 30 days after the Secretary of the Treasury certifies that the Board of Executive Directors of the Fund have agreed by resolution that stand-by agreements or other arrangements regarding the use of Fund resources shall include provisions requiring the borrower—

(1) to comply with the terms of all international trade obligations and agreements of which the borrower is a signatory;

(2) to eliminate the practice or policy of government directed lending or provision of subsidies to favored industries, enterprises, parties, or institutions; and

(3) to guarantee non-discriminatory treatment in debt resolution proceedings between domestic and foreign creditors, and for debtors and other concerned persons.

COATS AMENDMENT NO. 3523

Mr. COATS proposed an amendment to the bill, S. 2334, *supra*; as follows:

On page 31, line 7, strike "and" and all that follows through "(KEDO)" on line 9.

Beginning on page 32, strike line 10 and all that follows through line 24 on page 33 and insert the following: "That, notwithstanding any other provision of law, of the funds appropriated under this heading not less than \$56,000,000 shall be available only for antiterrorism assistance under chapter 8 of part II of the Foreign Assistance Act of 1961."

BROWNBACK AMENDMENT NO. 3524

Mr. MCCONNELL (for Mr. BROWNBACK) proposed an amendment to the bill, S. 2334, *supra*; as follows:

On page 26, line 5, insert "and infrastructure for secure communications and surveillance systems" after "training".

BOND AMENDMENT NO. 3525

Mr. MCCONNELL (for Mr. BOND) proposed an amendment to the bill, S. 2334, *supra*; as follows:

At the appropriate place in the bill, insert the following:

(a) FINDINGS.—Congress finds that—

(1) Iraq is continuing efforts to mask the extent of its weapons of mass destruction and missile programs;

(2) proposals to relax the current international inspection regime would have potentially dangerous consequences for international security; and

(3) Iraq has demonstrated time and again that it cannot be trusted to abide by international norms or by its own agreements, and that the only way the international community can be assured of Iraqi compliance is by ongoing inspection.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the international agencies charged with inspections in Iraq—the International Atomic Energy Agency (IAEA) and the United Nations Special Commission (UNSCOM) should maintain vigorous inspections, including surprise inspections, within Iraq; and

(2) the United States should oppose any efforts to ease the inspections regimes on Iraq until there is clear, credible evidence that the Government of Iraq is no longer seeking to acquire weapons of mass destruction and the means of delivering them.

(c) REPORT.—Not later than 30 days after the date of enactment of this Act, the President shall submit a report to Congress on the United States Government's assessment of Iraq's nuclear and other weapons of mass destruction programs and its efforts to move toward procurement of nuclear weapons and the means to deliver weapons of mass destruction. The report shall also—

(1) assess the United States view of the International Atomic Energy Agency's action team reports and other IAEA efforts to monitor the extent and nature of Iraq's nuclear program; and

(2) include the United States Government's opinion on the value of maintaining the ongoing inspection regime rather than replacing it with a passive monitoring system.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON INTERNATIONAL SECURITY, PROLIFERATION, AND FEDERAL SERVICES

Mr. SPECTER. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services to meet on Tuesday, September 1, 1998, at 2:00 p.m. for a hearing on "Use of Mass Mail to Defraud Congress."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON YOUTH VIOLENCE

Mr. SPECTER. Mr. President, I ask unanimous consent that the Subcommittee on Youth Violence, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Tuesday, September 1, 1998 at 9:30 a.m. to hold a hearing in room 226, Senate Dirksen Building, on: "Fixing a Broken System: Preventing Crime Through Intervention."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE YEAR 2000—SIXTEEN MONTHS AND COUNTING

• Mr. JOHNSON. Mr. President, I rise today to speak about a critical issue which I fear has not received the attention it deserves. I am speaking about the Year 2000 computer problem which will strike in a mere sixteen months.

The year 2000 holds potential problems for all Americans. At numerous hearings by the Senate Banking Subcommittee on Financial Services and Technology, on which I serve, witnesses have testified that the year 2000 problem involves more than just computers—it is a pervasive problem for which there is no quick fix. But fix it we must, because there can be no extension of time.

I commend the efforts of Senator BENNETT, Chairman of that Banking Subcommittee, for his tireless efforts

to raise the profile of Y2K issues. Senator BENNETT now chairs the joint task force on Y2K, and he will be a forceful advocate for the necessity of addressing this issue.

Government, businesses, farms and homes rely on computers for nearly every aspect of their operations—from paying Social Security, to operating vehicles and equipment, to calculating interest, to conducting elections, to launching missiles. A failure in one computer system could not only be devastating to that particular operation, but could also have a domino effect.

For these reasons, it is vitally important that government and the private sector work together to avoid a potential disaster. According to a recent General Accounting Office (GAO) study, the federal government is extremely vulnerable to year 2000 problems because of its widespread dependence on computer systems.

The GAO study found uneven progress and made a number of recommendations for federal agencies to implement. Among them are the need to establish priorities, solidify data exchange agreements, and develop contingency plans.

GAO testimony before the Senate Agriculture Committee, on which I also serve, focused on the U.S. Department of Agriculture's (USDA) computer systems. The GAO concluded that if not properly fixed, severe consequences could result such as:

Payments to schools, farmers and others in rural communities could be delayed or incorrectly computed.

The economy could be adversely affected if information critical to crop and livestock providers and investors is unreliable, late or unavailable.

The import and export of foodstuffs could be delayed, thus increasing the likelihood that they will not reach their intended destinations before their spoilage dates.

Food distribution to schools and others could be stopped or delayed.

Public health and safety could be at risk if equipment used in USDA's many laboratories to detect bacteria, diseases, and unwholesome foods is not compliant.

These are a few of the potential year 2000 computer problems in just one agency of the federal government. Many federal agencies have made tremendous progress in solving their computer problems, but many more have been remiss. Therefore, the role of the Administration through the President's Council on Year 2000 Conversion becomes even more important in ensuring the federal government's readiness for year 2000.

I am encouraged by President Clinton's recent initiatives to increase national and global awareness of the Y2K problem and to facilitate private sector attempts to address it. The President's "Year 2000 Good Samaritan" legislation is designed to promote private sector exchange of year 2000-related infor-

mation and would help our national preparedness for 2000.

Y2K will not just impact the United States. In today's global economy, no area can remain isolated from any other. The United States also will contribute \$12 million to assist the World Bank's plan to raise awareness of the problem in developing countries.

I am also encouraged by the recent testing of Y2K compliance by Wall Street firms which are conducting a series of tests to see whether U.S. markets will face Y2K difficulties. These firms represent the type of foresight which will limit any dislocation caused by the Y2K glitch. This is the first known comprehensive effort to check the compliance of corporate America for the Y2K bug, and I hope more sectors of the economy quickly follow suit.

The potential difficulties are almost incalculable, when we consider the tremendous role computers play in our everyday lives. From food distribution to air traffic control. From our monetary infrastructure to electric power grids. Telecommunications systems and traffic lights. All of these necessities we take for granted could be impacted on January 1, 2000.

Congress must continue its oversight to make certain that the necessary resources are brought to bear on this critical issue. We have made progress, but there is still a tremendous amount of work to be done. The clock is running, and we cannot afford to fail to meet the year 2000 deadline.●

GRAND RAPIDS' COMMUNITY SUCCESS

● Mr. ABRAHAM. Mr. President, I rise to bring to my colleagues' attention an important article from *The American Enterprise* magazine. In it Michael Barone of *Reader's Digest* lauds the great success of Grand Rapids, Michigan in rebuilding its economy and community. Mr. Barone reports that a vital combination of entrepreneurship, public spirit, and responsible philanthropy have brought the people of Grand Rapids together to build a vibrant economy and public life.

Business and community leaders in Grand Rapids have joined together to rehabilitate the downtown area. They have encouraged one another to sponsor important projects like the Van Andel Institute for nutrition research and Faith Inc., which trains people from close-in neighborhoods and places them in full-time jobs. A pro-business environment has facilitated the growth of diverse businesses, from furniture manufacturers to merchandisers. And Grand Rapids' respect for free markets and entrepreneurship has maintained an economy in which unemployment is low and small business thrives, with 80 percent of local businesses employing fewer than 30 people.

Mr. President, as we in the Senate continue our debate over how best to encourage the revitalization of dis-

tressed urban areas, I hope we will learn from cities like Grand Rapids. As a member of the Renewal Alliance and a strong supporter of its efforts to help distressed urban areas, I feel that Grand Rapids can provide us with an extremely helpful model of what works. This great city shows the importance of local involvement, free markets, and faith in rebuilding strong communities.

I heartily recommend this article to my colleagues and ask that its text be printed in the RECORD.

The article follows:

[From the *American Enterprise*, Sept./Oct. 1998]

A CITY WHERE BUSINESS AND PHILANTHROPY FLOURISH

(By Michael Barone)

Looking for a city with a tradition of community involvement, creative local philanthropy, vibrant cultural institutions old and new? Try Grand Rapids. The home town of President Gerald Ford, the city proposed by Chicago Tribune publisher Colonel Robert McCormick as a new national capital, Grand Rapids remains largely unknown nationally and even in Michigan is often overshadowed by Detroit. But greater Grand Rapids is now approaching a million people, its strong local economy has led Michigan's economic recovery, and its successful entrepreneurs have built civic institutions the envy of many metro areas two or three times the size. Civil society is alive and well here.

What are Grand Rapids' secret? One is a vigorous free market economy, built steadily over decades. Grand Rapids was first settled by New England Yankees and immigrants from Germany and the Netherlands at the falls of the Grand River, in the heart of Michigan's immense forests. Its first industries were lumber and a natural offshoot, furniture. In the first decades of this century Grand Rapids was the nation's leading producer of household furniture. But the forests were overharvested, the furniture market collapsed in the Depression, and after World War II manufacturers relocated to North Carolina.

Some furniture manufacturers who survived turned to office furniture. Today three of the nation's four largest office furniture manufacturers are located in Grand Rapids or nearby Holland. But there is plenty of diversity as well. The city is a leader in injected plastic moldings and a major center for tool and die shops, with lots of small successful firms. It is the headquarters of Meijer, whose 100-plus Thrifty Acres stores combine supermarkets with general merchandise stores—a formula Wal-Mart has copied but has not been able to make pay as well as Meijer. Grand Rapids is the headquarters of Universal Wood Products, the nation's largest fence producer. It is the home of Gordon Foods and Bissell carpet sweepers. It has one large General Motors plant and dozens of auto suppliers. Ada, a village six miles east, is the home of Amway, privately owned by the Van Andel and DeVos families, founded in a garage in 1959, now selling over \$7 billion of home care housewares, and cosmetic products in 52 countries, most of them manufactured in Grand Rapids' Kent County.

Most of Grand Rapids' successful companies are small: 80 percent of businesses employ fewer than 30 people, according to John Caneppe, former chairman of Grand Rapids' Old Kent Bank. Firms that have grown bigger have done so through creative innovation and good employee relations. Local office furniture manufacturers pioneered modular units and electronic connectors. Amway